From: VirgiliaC@cs.com on 04/19/2005 02:01:33 PM

Subject: Truth in Lending

Jennifer L. Johnson, Secretary
Board of Governors
Federal Reserve System
20th and Constitution Ave., N.W.
Washington, DC 20551

Re: Comments to Docket No. R-1217, Regulation of Credit Cards

Dear Ms. Johnson,

I have been examining Oregon debtor's credit card statements for the last 8 years (and before that in California).

The most frequent complaint I hear from Debtors is that they have been paying and paying and their balance never goes down, it just goes up.

After adding late payment charges and over-the-balance fees (which may be caused by the lender reducing the credit limit) the rate of "interest" is between 26% and 36%.

Oregon still has usury laws on the books that prevent creditors, who do not have the protection of federal preemption, to 12%. If that interest rate is exceeded, the creditor that is still covered by the usury law loses all interest. We need to turn back the clock to reinstitute such provisions to all creditors, especially those who are preying on the most vulnerable members of our commercial society.

The stock market watches carefully the consumer confidence index. Consumers are an important part of our society. Without them, the Lenders would not have nearly the market they have. Consumers should be protected from the imbalance that the new bankruptcy law has created with similar retraint on the lending industry.

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